

## Message Text

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ACTION EB-08

INFO OCT-01 NEA-11 ISO-00 MMO-01 AF-10 ARA-10 EA-10  
EUR-12 IO-13 SP-02 ICA-11 AID-05 NSC-05 TRSE-00  
SS-15 STR-07 OMB-01 CEA-01 CIAE-00 COME-00 FRB-03  
INR-10 NSAE-00 XMB-02 OPIC-03 LAB-04 SIL-01  
AGRE-00 DOE-15 SOE-02 DODE-00 PM-05 H-01 L-03  
PA-01 /173 W

-----032548 061818Z /46

R 041120Z MAY 78

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC 1394

LIMITED OFFICIAL USE NEW DELHI 7074

E.O. 11652: N/A

TAGS: ETRD, BEXP, XX

SUBJECT: INTERAGENCY TASK FORCE TO DEVELOP A NATIONAL  
EXPORT POLICY

REF: STATE 95673

1. OUR PRINCIPAL SUGGESTION FOR PROMOTION OF U.S. EXPORTS  
IN THE INDIAN MARKET AND IN LDC MARKETS IN GENERAL CONCERNS  
PROVISION OF A SEPARATE FINANCING FACILITY ON MORE CONCES-  
SIONAL TERMS THAN THSE NOW PROVIDED BY EXIMBANK. WHILE  
SERVING IN LDC,S COMMERCIAL OFFICERS HAVE OFTEN WITNESSED  
THE GRANTING OF EXTENSIVE LINES OF CONCESSIONARY CREDIT BY  
OECD COUNTRIES EITHER FOR GENERAL IMPORTS OR IMPORTS IN  
SPECIFIC PRODUCT CATEGORIES. THESE CREDITS ARE USUALLY  
PROVIDED BY "DONOR" COUNTRIES AS "ECONOMIC ASSISTANCE",  
ALTHOUGH THE COINCIDENCE OF SLACK OR AILING INDUSTRIES IN  
DONOR COUNTRIES WITH THE NATURE OF GOODS ON WHICH CREDITS  
ARE OFFERED IS OFTEN HIGH.

2. IF THE UNITED STATES IS TO COMPETE ON EQUAL TERMS WITH  
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OTHER INDUSTRIALLY DEVELOPED COUNTRIES IN THE LDCE, IT  
SEEMS ONLY RATIONAL THAT WE DEVELOPE SIMILAR CONCESSIONARY  
CREDIT PROCEDURES FOR LESSER DEVELOPED AREAS WHERE WE  
WISH TO BOTH PROMOTE ECONOMIC DEVELOPMENT AND PARTICIPATE  
IN THEIR MAREKTS. THE TENDENCY OTHERSIE, IN MARKETS  
WHERE CONCESSIONARY FINANCING IS AVAILABLE FROM THEIR  
COUNTRIES, IS FOR THE UNITED STATES TO BECOME THE SUPPLIER

OF LAST RESORT, AFTER LDC HAS PURCHASED ALL PRODUCTS POSSIBLE FROM THE COUNTRIES OFFERING CONCESSIONARY CREDIT LINES. IN FACT, UPON THE ACCEPTANCE OF CONCESSIONARY CREDIT LINES BY LDC GOVERNMENTS, REQUIREMENT FOR PURCHASES FROM "DONOR" COUNTRIES OFTEN BECOMES ENSHRINED IN GOVERNMENT POLICY. LDC BUYERS, WHO WOULD PREFER AMERICAN EQUIPMENT, ARE THEN REQUIRED BY THEIR GOVERNMENTS TO BUY WHERE THESE CREDITS ARE AVAILABLE.

3. GIVEN CONDITIONS AS DESCRIBED ABOVE, IT IS ENTIRELY CONCEIVABLE THAT THE USG COULD, UNDER PRESENT GUIDELINES TO DIRECT AID PROGRAMS TOWARD "THE POOREST OF THE POOR", GET INTO THE POSITION OF PROVIDING LOCAL COST ASSISTANCE FOR SUCH PROJECTS AS RURAL ELECTRIFICATION, WHILE THE SOPHISTICATED GENERATORS, TRANSFORMERS, ETC. NEEDED FOR POWER GENERATION, INCLUDING THAT TO FEED RURAL ELECTRIFICATION SYSTEMS, WOULD BE PROVIDED BY OTHER OECD COUNTRIES THROUGH THEIR "AID" PROGRAMS. WE PROPOSE, THEREFORE, THE CREATION OF A NEW MECHANISM, PROBABLY OUTSIDE EXIM (WITH ITS "GENTLEMAN'S AGREEMENT" TO MAINTAIN COMMERCIAL INTEREST RATES) AND USAID (WITH ITS STRICT GUIDELINES ON APPLICATION OF ASSISTANCE TO THE POOREST ELEMENTS) WHICH WOULD BE ABLE TO OFFER CONCESSIONAL FINANCING FOR IMPORTS CONNECTED WITH DEVELOPMENT PROJECTS IN THE LDCS. SUCH A NEW INSTITUTION OR FACILITY COULD PUT US BACK IN THE RUNNING WITH OUR EUROPEAN LIMITED OFFICIAL USE

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AND JAPANESE COMPETITORS IN EMERGING MARKETS WHERE WE ARE NOW AT A DISADVANTAGE. THOUGHTS ALONG THE LINES OF THE ABOVE WERE VISED AT SOME LENGTH DURING THE ECONOMIC/ COMMERCIAL OFFICERS CONFERENCE HERE IN NEW DELHI, APRIL 11-13.  
GOHEEN

NOTE BY OC/T: TELEGRAM DELAYED IN TRANSMISSION

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLICIES, EXPORTS, INTERAGENCY COMMITTEES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 04 may 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978NEWDE07074  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780193-1126  
**Format:** TEL  
**From:** NEW DELHI  
**Handling Restrictions:** n/a  
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**Legacy Key:** link1978/newtext/t19780593/aaaadbob.tel  
**Line Count:** 102  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 45e398a4-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 STATE 95673  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2793339  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** INTERAGENCY TASK FORCE TO DEVELOP A NATIONAL EXPORT POLICY  
**TAGS:** ETRD, BEXP, XX  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014